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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BEFORE THE
Federal Communications Commission

WASHINGTON, D.C. 20554

In the Matter of)

Federal-State Joint Board on)

Universal Service)

CC Docket No. 96-45

**COMMENTS
OF
WINSTAR COMMUNICATIONS, INC.**

Pursuant to Section 1.415 of the Rules and Regulations of the Federal Communications Commission ("FCC" or "Commission"), 47 C.F.R. § 1.415 (1997), WinStar Communications, Inc. ("WinStar") hereby submits these comments on the Further Notice of Proposed Rule Making ("FNPRM") released in the above-captioned proceeding.¹ WinStar's comments are limited to one issue. Specifically, WinStar supports the FCC's efforts to establish universal service rules that are competitively and technologically neutral and urges the Commission to recognize the ability of facilities-based, fixed wireless carriers to provide the types of services supported by the federal universal service support mechanisms.² As set forth below, WinStar firmly believes that a mature, facilities-based, fixed wireless service provider should be able to more efficiently and economically reach under-served urban areas when compared to other providers. Thus, such facilities-based

¹ Memorandum Opinion and Order and Further Notice of Proposed Rule Making, CC Docket No. 96-45, FCC 98-278 (Rel. October 26, 1998).

² FNPRM at ¶ 44.

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wireless competitive local exchange carriers (“CLECs”) should be seriously considered as recipients of universal service funds.

Discussion

1. WinStar is a pioneer in providing customers with broadband communications services, including local and long distance phone service, as well as high-speed data, Internet access and information services. WinStar provides these Wireless FiberSM services over its own end-to-end broadband network in 30 U.S. markets, using its licenses in the 28, 31 and 38 GHz spectrum.³ WinStar’s Wireless FiberSM networks are so-named because of their ability to duplicate the technical characteristics of fiber optic cable with wireless millimeter-wave, microwave transmissions. These high-speed communications links have broadband characteristics, allowing for digital voice, data and video transmissions, and are engineered to have a reliability of 99.999 percent.

2. WinStar plans to double the U.S. reach of its broadband network to 60 major markets over the next two years and to serve an additional 50 major international markets within five years. During 1999, WinStar will expand to 45 U.S. and six international markets. In pursuing this accelerated build-out, WinStar will take advantage of the resources and expertise of Lucent Technologies under their \$2 billion strategic alliance announced in

³ WinStar is the largest licensee of spectrum in the 38.6-40.0 GHz band and was the third highest bidder at the recent LMDS auction, winning 15 LMDS licenses. WinStar also holds a number of licenses for spectrum in other bands. WinStar averages more than 750 MHz in the top 50 U.S. markets. The company’s licenses cover more than 170 major market areas in total, encompassing approximately 200 million people.

October 1998. Also during the past year, WinStar initiated commercial deployment of its state-of-the-art multipoint technology in Washington, D.C. The company intends to expand its multipoint capability nationwide in 1999, which will significantly lower the cost of its network build-out and enable WinStar to serve far more customers in each of its markets.

3. The above discussion is intended to highlight the ability of facilities-based, fixed wireless CLECs, like WinStar, to provide services eligible for universal service support to school and libraries, particularly those situated in urban areas. Indeed, WinStar already has initiated service in 30 of the top 60 U.S. markets in which it intends to provide service by the end of 2000. While these networks will initially focus on downtown business markets, as the networks expand they will cover more and more residential areas, in particular low-income areas. In addition, WinStar's Wireless FiberSM service is an ideal technology to provide high-speed connectivity to schools and libraries at a fraction of the price of conventional alternatives.

4. In this regard, WinStar has established a subsidiary, WinStar for Education ("WFE"), to directly work with schools and libraries for the provision of Internet and other value added services. WFE already is providing several dozen schools in the Northeast with Internet service and a whole panoply of education software specifically designed by WFE to maximize the educational value of the Internet experience. For example, WFE's *NewsNow* program enables children to publish their content on the World Wide Web, while programs like *WebBoard*, *MindsEye*, *Monster Exchange* and *The Journey* are bringing thousands of children from hundreds of schools around the world into collaboration. The bottom line is

that fixed wireless service providers with mature networks like WinStar can, and will, supply the services supported by the federal universal service support mechanisms to eligible beneficiaries.

5. Additionally, in an effort to leverage its wireless network to the fullest extent, WinStar has undertaken the effort to link an inner city housing project in Washington, D.C. with neighborhood elementary, middle and high schools, and a local senior citizens home. With the help of a broad business and community coalition, WinStar hopes to create an Internet environment that will extend the schools into the home and will allow for cross-generational communications between seniors and children.

6. WinStar already has demonstrated that it can and will provide universal service to schools and libraries within its service areas. Consequently, it urges the Commission to continue its efforts to promote competition in the context of universal service, and, in particular, to ensure that universal service rules remain competitively and technologically neutral. WinStar does not propose any specific revisions to the Commission's universal service rules at this time, but instead applauds the Commission's efforts to date to foster the development of universal service competition and to ensure that all carriers are subject to a level playing field in participating in universal service mechanisms.

WHEREFORE, THE PREMISES CONSIDERED, WinStar Communications, Inc. requests that the Commission continue to promote a policy of technological neutrality in the context of universal service and recognize the ability of facilities-based, fixed wireless carriers to provide the types of services supported by the federal universal service support mechanisms.

Respectfully submitted,

WINSTAR COMMUNICATIONS, INC.

A handwritten signature in black ink, appearing to read 'Timothy R. Graham', is written over a horizontal line.

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